

Examiner relies on unsupported conclusory statements. Such statements are expressly discouraged by the Federal Circuit and do not satisfy the requirement for providing "substantial evidence" (Section 1.1.3).

1.1.1 The Applicant Is Entitled To A Patent

The Applicant is entitled to a patent because he has met the legal requirements. The Examiner not provided the "substantial evidence" and has not established a prima facie case to challenge this entitlement.

Judge Plager, in his concurring opinion in Oetiker¹, stated:

An applicant for a patent is entitled to the patent unless the application fails to meet the requirements established by law. It is the Commissioner's duty (acting through the examining officials) to determine that all requirements of the Patent Act are met. The burden is on the Commissioner to establish that the applicant is not entitled under the law to a patent. In re Warner, 379 F.2d 1011, 1016, 154 USPQ 173, 177 (CCPA 1967), cert. denied, 389 U.S. 1057 (1968). In rejecting an application, factual determinations by the PTO must be based on a preponderance of the evidence, and legal conclusions must be correct. In [sic] re Caveney, 761 F.2d 671, 674, 226 USPQ 1, 3 (Fed. Cir. 1985).

The process of patent examination is an interactive one. See generally, Chisum, Patents, § 11.03 et seq. (1992). The examiner cannot sit mum, leaving the applicant to shoot arrows into the dark hoping to somehow hit a secret objection harbored by the examiner. The 'prima facie case' notion, the exact origin of which appears obscure (see In re Piasecki, 745 F.2d 1468, 1472, 233 USPQ 785, 788 (Fed. Cir. 1984)), seemingly was intended to leave no doubt among examiners that they must state clearly and specifically any objections (the prima facie case) to patentability, and give the applicant fair opportunity to meet those objections with evidence and argument. To that extent the concept serves to level the playing field and reduces the likelihood of administrative arbitrariness. * * *

1. In re Oetiker, 977 F.2d 1443, 1449, 24 USPQ2d 1443, 1447 (Fed. Cir. 1992).

Specifically, when obviousness is at issue, the examiner has the burden of persuasion and therefore the initial burden of production. Satisfying the burden of production, and thus initially the burden of persuasion, constitutes the so-called prima facie showing. Once that burden is met, the applicant has the burden of production to demonstrate that the examiner's preliminary determination is not correct. The examiner, and if later involved, the Board, retain the ultimate burden of persuasion on the issue.

If, as a matter of law, the issue is in equipoise, the applicant is entitled to the patent. Thus on appeal to this court as in the PTO, the applicant does not bear the ultimate burden of persuasion on the issue. In the end there is no reason there or here to argue over whether a 'prima facie' case was made out. The only determinative issue is whether the record as a whole supports the legal conclusion that the invention would have been obvious.

Similarly, in the instant case, the Examiner has not met his burden with factual determinations, based on a preponderance of the evidence, or with proper legal conclusions. Hence, the Applicant is entitled to a patent as a matter of law.

**1.1.2 The U.S. Supreme Court And The Federal Circuit
Require "Substantial Evidence" To Support A Rejection**

The Federal Circuit requires "substantial evidence" to support a rejection. See Gartside and Kotzab.²

The reviewing court shall --

* * *

(2) hold unlawful and set aside agency actions, findings, and conclusions found to be --

* * *

(E) unsupported by substantial evidence

Gartside.³

2. In re Gartside, 53 USPQ2d 1769 (Fed. Cir. 2000); In re Kotzab, 55 USPQ2d 1313 (Fed. Cir. 2000).

3. In re Gartside, 53 USPQ2d 1769, 1773 (Fed. Cir. 2000).

"[W]e review the Board's underlying factual findings for substantial evidence" Kotzab.⁴

In this case, the rejections are not supported by "substantial evidence", but rather are supported by erroneous arguments and improper conclusory statements. Hence, the rejections cannot stand.

"Substantial evidence" is described by the Federal Circuit as follows:

[T]he "substantial evidence" standard asks whether a reasonable fact finder could have arrived at the agency's decision.

Gartside.⁵ The Gartside court quotes the U.S. Supreme Court in Consolidated⁶:

It ["substantial evidence"] means such relevant evidence as a reasonable mind might accept as adequate to support a conclusion Mere uncorroborated hearsay or rumor does not constitute substantial evidence.

But the rejections are not supported by "substantial evidence". Instead, the Examiner relies on conclusory statements and erroneous statements (Section 1.1.3). Hence, the rejections violate the law of the Federal Circuit and the law of the U.S. Supreme Court.

4. In re Kotzab, 55 USPQ2d 1313, 1316-17 (Fed. Cir. 2000).

5. In re Gartside, 53 USPQ2d 1769, 1773 (Fed. Cir. 2000) (citing Consolidated Edison Co. v. NLRB, 305 U.S. 197, 229 (1938)).

6. In re Gartside, 53 USPQ2d 1769, 1773 (Fed. Cir. 2000) (quoting Consolidated Edison Co. v. NLRB, 305 U.S. 197, 229-30 (1938)) (parenthetical added, ellipsis in original).

1.1.3 The Examiner Relies On Conclusory Statements,
Which Are Expressly Discouraged By The U.S. Supreme Court
And By The Federal Circuit

The Examiner relies on conclusory statements statements, which are expressly discouraged by the U.S. Supreme Court and by the Federal Circuit. The Gartside court quotes the U.S. Supreme Court in Consolidated⁷:

It ["substantial evidence"] means such relevant evidence as a reasonable mind might accept as adequate to support a conclusion Mere uncorroborated hearsay or rumor does not constitute substantial evidence.

This is confirmed in Kotzab.⁸

Whether the Board relies on an express or an implicit showing, it must provide particular findings related thereto Broad conclusory statements standing alone are not "evidence."

However, the rejections are not supported by "substantial evidence".

The Federal Circuit requires the PTO to "explicate its factual conclusions", but the Examiner provides conclusory arguments.

We have expressly held that the Board's opinion must explicate its factual conclusions, enabling us to verify readily whether those conclusions are indeed supported by "substantial evidence" contained within the record. See Gechter v. Davidson, 116 F.3d 1454, 1460, 43 USPQ2d 1030, 1035 (Fed. Cir. 1997)

Gartside.⁹

7. In re Gartside, 53 USPQ2d 1769, 1773 (Fed. Cir. 2000) (quoting Consolidated Edison Co. v. NLRB, 305 U.S. 197, 229-30 (1938)) (parenthetical added, ellipsis in original).

8. In re Kotzab, 55 USPQ2d 1313, 1317 (Fed. Cir. 2000).

9. In re Gartside, 53 USPQ2d 1769, 1774 (Fed. Cir. 2000).

Whether the Board relies on an express or an implicit showing, it must provide particular findings related thereto Broad conclusory statements standing alone are not "evidence."

Kotzab.¹⁰

1.2 35 USC 112-1 REJECTION

1.2.1 Introduction

The Applicant respectfully traverses the 35 USC 112-1 rejection for the reasons discussed below.

1.2.2 The Rejection Does Not Establish A Prima Facie Case

The 35 USC 112-1 rejection does not approach the specificity required to establish a prima facie case and to inform the Applicant of the nature of the rejections as required by 35 USC 132.¹¹

The burden of establishing a prima facie case rests with the examiner. This burden is not satisfied by the instant rejection.¹² Hence, the 35 USC 112-1 rejection must fall.

The claim limitations are properly disclosed at numerous places in the extensive disclosure, but the rejection disregards the extensive disclosure and instead makes unsupported conclusory statements about the absence of the claim terminology in the disclosure.

10. In re Kotzab, 55 USPQ2d 1313 (Fed. Cir. 2000).

11. See also 37 CFR 1.106(b); Chester v. Miller, 906 F.2d 1574, 1578, 15 USPQ2d 1333, 1337 (Fed. Cir. 1990) ("Section 132 is violated when a rejection is so uninformative that it prevents the applicant from recognizing and seeking to counter the grounds for rejection."). See also In re Oetiker, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992).

12. In re Edwards, 568 F.2d 1349, 1354, 196 USPQ 465, 469 (CCPA 1978); In re Oetiker, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992).

The Examiner must support disclosure rejections with a proper explanation of why the disclosure is not adequate and must provide acceptable evidence or reasoning which supports a lack of adequate disclosure. In re Piasecki, 745 F.2d 1468, 223 USPQ 785 (Fed. Cir. 1984). However, the '112-1 rejection does not provide a proper explanation and does not provide acceptable evidence or reasoning.

The claims are objected to as a group of claims. This is improper. Each claim must be evaluated individually to determine whether the particular claim meets the '112-1 requirement. In re Van Geuns, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993), In re Wright, 999 F.2d 155, 27 USPQ2d 1510 (Fed. Cir. 1993).

Since the 35 USC 112-1 rejection does not establish a prima facie case, the 35 USC 112-1 rejection should be withdrawn. In re Oetiker, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992).

1.2.3 The Claim Terminology Does Not Have To Be Stated Verbatim

The Examiner apparently requires that the claim language have verbatim basis in the specification. However, this requirement violates the law. Notwithstanding the fact that there is significant verbatim and literal claim terminology in the specification, it is not necessary that the application recite the claim limitations exactly. In re Smythe infra.

2163.02 Standard for Determining Compliance With the Written Description Requirement

... The subject matter of the claim need not be described literally (i.e., using the same terms or in haec verba) in order for the disclosure to satisfy the description requirement. (MPEP 2163.02)

The fact that the Examiner persists in the '112-1 rejection in view of the extensive antecedent basis in the disclosure indicates that the Examiner requires verbatim recitation of a string of words in exact sequence. This is contrary to the law.

The function of the description requirement is to ensure that the inventor had possession of, as of the filing

date of the application relied upon, the specific subject matter later claimed by him; **how the specification accomplishes this is not material.** In re Smith, 481 F.2d 910, 178 USPQ 620 (CCPA 1973). The claimed subject matter need not be described in haec verba to satisfy the description requirement. In re Smith, 458 F.2d 1389, 59 CCPA 1025, 173 USPQ 679 (1972). It is not necessary that the application describe the claim limitations exactly, but only so clearly that one having ordinary skill in the pertinent art would recognize from the disclosure that appellants invented processes including those limitations. [emphasis added] In re Smythe, 480 F.2d 1376, 178 USPQ 279 (CCPA 1973). In re Herschler, 591 F.2d 693, 700-701; 200 USPQ 711, 717 (CCPA 1979).

Notwithstanding the fact that the disclosure has extensive literal support for the claimed invention, such literal support is not required.

Compliance with the written description requirement of Section 112 only requires that appellant's application contain sufficient disclosure, **expressly or inherently**, to make it clear to persons skilled in the art that appellant possessed the subject matter claimed. In re Mott, 539 F.2d 1291, 190 USPQ 536, 541 (CCPA 1976). The test for determining compliance with the written description requirement is whether the disclosure of the application as originally filed reasonably conveys to the artisan that the inventor had possession of the claimed subject matter, **rather than the presence or absence of literal support in the specification for the claim language.** [emphasis added] In re Kaslow, 707 F.2d 1366, 217 USPQ 1089, 1096 (Fed. Cir. 1983). [emphasis added] Ex Parte Harvey, 3 USPQ2d 1626, 1627 (Bd. Pat. App. and Int., 1986).

It is thus clear that no particular language is required and no literal language support is necessary for the claim language. Furthermore, the drawings may be used (but are not required to be used) to support the '112-1 requirement¹³ infra. Hence, the instant disclosure, which is extensive, is certainly adequate to comply with 35 USC 112-1.

13. The content of the drawing may also be considered in determining compliance with the written description requirement. In re Barker, 559 F.2d 588, 194 USPQ 470 (CCPA 1977). In re Kaslow, 707 F.2d 1366, 1375, 217 USPQ 1089, 1096 (Fed. Cir. 1983).

In view of the above, even literal support is not required for '112-1, hence any requirement for verbatim support is improper.

1.2.4 The Disclosure Is Presumptively Correct

The MPEP at section 2164.04 emphasizes the presumptive correct nature of the Applicant's disclosure and cautions the Examiner that, in view of this presumption, there must be sufficient objective reasons to challenge the presumption. Where, as here, the Examiner has not rebutted the presumptively correct disclosure, the 112-1 rejection must fall.

As a matter of Patent Office practice then, a specification disclosure which contains a teaching of the manner and process of making and using the invention in terms which correspond in scope to those used in describing and defining the subject matter sought to be patented **must be taken as in compliance with the enabling requirement** of the first paragraph of Section 112 unless there is reason to doubt the objective truth of the statement contained therein which must be relied on for enabling support.

In any event, it is incumbent upon the Patent Office, whenever a rejection on this basis is made, **to explain why it doubts the truth or accuracy of any statement in a supporting disclosure and to back up assertions of its own with acceptable evidence or reasoning which is inconsistent with the contested statement.** Otherwise, there would be no need for the applicant to go to the trouble and expense of supporting his **presumptively accurate disclosure.** [emphasis added] In re Marzocchi, 439 F.2d 220, 169 USPQ 367 (CCPA 1967)

There is no requirement in 35 U.S.C. 112 or anywhere else in the patent law that a specification convince persons skilled in the art that the assertions in the specification are correct.

In examining a patent application, the PTO is required to assume that the specification complies with the enablement provision of Section 112 unless it has 'acceptable evidence or reasoning' to suggest otherwise ... The PTO thus must provide reasons supported by the record as a whole why the specification is not enabling ... Then and only then does the burden shift to the applicant to show that one of ordinary skill in the art could have practiced the claimed invention without undue experimentation.

Gould v. Mossinghoff, 229 USPQ 1, 13-14 (D.D.C.1985), aff'd in part, vacated in part, and remanded sub nom. Gould v. Quigg, 822 F.2d 1074, 3 USPQ2d 1302 (Fed.Cir. 1987)

1.2.5 The Examiner Alleges Insufficient Disclosure While Ignoring Extensive Relevant Recitations In The Disclosure

The Examiner erroneously bases the '112-1 rejection on a position that the subject terminology has no basis in the disclosure. However, this terminology has ample basis in the disclosure, but the basis for the terminology has been ignored by the rejection. The '112-1 rejection cannot possibly establish a prima facie case until the Examiner evaluates the antecedent basis for this terminology.

The Examiner has not indicated how many occurrences of a term are required before considers the term is considered to be adequately disclosed. However, the law of the Federal Circuit does not require even a single verbatim recitation or literal recitation. Hence, the numerous verbatim recitations and literal recitations are certainly adequate.

It is necessary for the Examiner to consider the relevant disclosure and provide acceptable evidence or reasoning regarding any objection to this disclosure as it relates to specific claims. See In re Piasecki supra. The unsupported conclusionary statements in the instant Action violate the law of the Federal Circuit and do not establish a prima facie case.

In view of the above, it is apparent that the Examiner did not consider the disclosure as a whole.

1.2.6 The Rejections Fail To Establish

The Level Of Skill In The Art

The rejection fails to establish the level of ordinary skill in the art and fails to provide evidence or reasoning concerning skill in the art.

It is permitted and it is actually preferred for a patent disclosure to rely on what is known in the art and not to repeat that which is well known.

"If these bridge-gapping tools (the input and the output) are disclosed, there would seem to be no cogent reason to require disclosure of the menial tools known to all who practice this art." [parenthetical expression added] In re Sherwood supra.

"However, paragraph 112-1 does not require that the specification contain what is well known to those skilled in the art." Id; Lindemann Maschinenfabrik GMBH v. American Hoist & Derrick Co., 730 F.2d 1452, 1463, 221 USPQ 481, 489 (Fed.Cir. 1984)." (In re Hyatt, unpublished decision, Appeal No. 87-1597 (Fed. Cir 1988).

Hence, it is improper for the rejection to ignore the skill in the art and the instant disclosure related thereto.

1.2.7 The § 112-1 Rejections Regarding Product Terminology Are Improper In Light Of The Statute And The Law Of The Federal Circuit

The § 112-1 rejections are improper regarding the process claims that recite "making a product" terminology. This is because "making a product" terminology is statutory language and because such terminology is explicitly permitted by PTO Examination Guidelines. Furthermore, such § 112-1 rejections are in violation of the law of the Federal Circuit. Finally, notwithstanding the legal impropriety of such § 112-1 rejections, the disclosure provides extensive support for "product" type terminology.

The § 112-1 rejections are in conflict with the statutory language of 35 USC § 271(g). This statute expressly provides for protection of a "product" made by a claimed process. The process claims at issue recite the act of making such a "product" in full compliance with the statute.

The law in 35 USC § 271(g) also protects "products" made with the claimed process even without reciting "product" terminology in a process claim. Hence, it goes against the intent of the statute to reject claims under 35 USC § 112 for expressly reciting such statutory "product" terminology.

Furthermore, because the "product" terminology is statutory language (35 USC § 271(g)), it is improper to require the disclosure to recite this "product" terminology verbatim. Generally, **statutory language is above challenge by the PTO.**

In addition to the § 112-1 rejections being improper because of 35 USC § 271(g), the § 112-1 rejections are also contradicted by the PTO Examination Guidelines regarding "product" terminology.

"Products may be either machines, manufactures or compositions of matter.

A machine is:

a concrete thing, consisting of parts or of certain devices and combinations of devices.

Burr v. Duryee, 68 US (1 Wall.) 531, 570 (1863).

A manufacture is:

the production of articles for use from raw or prepared materials by giving to these material new forms, qualities, properties or combinations, whether by hand-labor or by machinery.

Diamond v. Chakrabarty, 447 US at 308, 206 USPQ at 196-197 (quoting American Fruit Growers, Inc. v. Brogdex Co., 283 US 1, 11 (1931))."

Examination Guidelines.¹⁴ See also Harmon¹⁵:

14. Examination Guidelines For Computer-Related Inventions, 1184 OG 87 at 96, FN 35.

15. Robert L. Harmon, Patents and the Federal Circuit at 27, Second Edition, BNA (1991) (emphasis added).

The eligible **products** identified in paragraph 101 are machines, manufactures, and compositions of matter.

Clearly, the disclosed apparatuses (e.g., circuits) constitute "machines" and "manufactures" and hence "products". Also, the disclosed signals constitute "manufactures" (and hence "products") because the signals are physical things¹⁶ that are made, for example, by the disclosed circuits.

Because statutory categories of patentable subject matter include both processes and products and since products include machines, manufactures, and compositions of matter; there can be no question that claims directed to the acts of a process and further directed to the act of making a product fully comply with 35 USC § 112. Hence, the disclosed apparatuses (e.g., circuits and devices) and the disclosed signals, for example, all constitute **products**.

The § 112 rejections regarding "product" terminology are in conflict with the law of the CCPA and thus the § 112 rejections are in conflict with the law of the Federal Circuit.¹⁷

The CCPA in Best¹⁸ established that an invention can be claimed both with a "process" claim and with a "product" claim. Similarly, in the instant application, it is clearly permitted to claim both the process and the further act of making a product in response to the process or as a step in the process. Hence, it

16. Signals are "necessarily physical." Arrhythmia Research Technology Inc. v. Corazonix Corp., 22 USPQ2d 1033, 1038 (Fed. Cir. 1992). See also In re Taner et. al., 214 USPQ 678, (CCPA 1982); In re Sherwood, 613 F.2d 809, 204 USPQ 537, 545 FN 8 (CCPA 1980); and In re Johnson, 589 F.2d 1070, 200 USPQ 199 (CCPA 1978).

17. The Federal Circuit has adopted the law of the CCPA. See South Corp. v. United States, 690 F.2d 1368, 215 USPQ 657 (Fed. Cir. 1982). Because the CCPA always sat in banc, its decisions will not be overturned by a panel decision of the Federal Circuit. Rather, CCPA decisions can be overturned only by an in banc decision of the Federal Circuit.

18. In re Best, Bolton, and Shaw, 562 F.2d 1252, 195 USPQ 430 (CCPA 1977).

is permissible to recite together both a process claim and a process claim which comprises the further act of making a product.

In view of the above, the product terminology in the claims is consistent with the statutes, case law, and PTO guidelines. Hence, the § 112-1 rejections regarding product terminology should be withdrawn.

1.3 35 USC 103 REJECTION

1.3.1 The 35 USC 103 Rejections Do Not Establish

A Prima Facie Case

The 35 USC 103 rejections do not approach the specificity required to establish a prima facie case and to inform the Applicant of the nature of the rejections as required by 35 USC 132.¹⁹

Various examples of the non-specific and uninformative nature of the instant rejections are as follows.

a. The rejection does not determine the scope and content of the prior art (MPEP 2141) and hence did not establish a prima facie case.

b. The rejection does not ascertain the differences between the prior art and the claims in issue (MPEP 2141) and hence does not establish a prima facie case.

c. The rejection does not resolve the level of ordinary skill in the pertinent art (MPEP 2141) and hence does not establish a prima facie case.

d. The rejection does not evaluate secondary considerations (MPEP 2141) and hence does not establish a prima facie case.

e. The Federal Circuit requires a limitation by limitation analysis, but the art rejections do not even provide a claim by claim analysis.

f. The references do not suggest the desirability and thus the obviousness of making the combination (MPEP 2141).

19. See also 37 CFR 1.106(b); Chester v. Miller, 906 F.2d 1574, 1578, 15 USPQ2d 1333, 1337 (Fed. Cir. 1990) ("Section 132 is violated when a rejection is so uninformative that it prevents the applicant from recognizing and seeking to counter the grounds for rejection."). See also In re Oetiker, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992).

g. The rejection does not view the references without the benefit of impermissible hindsight vision afforded by the claimed invention (MPEP 2141) and hence does not establish a prima facie case.

h. The rejection does not establish a reasonable expectation of success as the standard with which obviousness is determined²⁰ (MPEP 2141) and hence does not establish a prima facie case.

i. The rejection does not establish motivation for an artisan to make the combination.

j. The rejection does not consider the claimed invention as a whole (MPEP 2141) and hence does not establish a prima facie case.

k. The rejection does not consider the references as a whole (MPEP 2141) and hence does not establish a prima facie case.

l. The prior art reference (or references when combined) must teach or suggest all the claim limitations.

m. The rejections do not provide acceptable evidence or reasoning.

n. The rejection is based upon unsupported conclusionary statements regarding obviousness.

o. The rejection completely disregards relevant claim limitations.

p. The claims are rejected as a group of claims.

q. Each of the instant claims has distinguishing limitations that are not found in the references.

r. The rejections do not establish that the claim differences are obvious.

20. See Hodesch v. Block Drug Co. Inc., 786 F.2d. 1136, 1143 n.5, 229 USPQ 182, 187, n.5 (Fed. Cir. 1986).

The burden of establishing a prima facie case rests with the examiner. See In re Piasecki, 745 F.2d 1468, 223 USPQ 785 (Fed. Cir. 1984). This burden is not satisfied by mere comparison of claimed elements with elements in the references.²¹ Hence, the 35 USC 103 rejections must fall.

The Examiner must support art rejections with a proper explanation of why the claims are obvious and must provide acceptable evidence or reasoning. See In re Piasecki. However, the rejections do not provide a proper explanation and do not provide acceptable evidence or reasoning.

The instant rejections fail to evaluate the differences, which is fatal to the rejections.

Appellant was entitled to have differences between the claimed invention, the subject matter as a whole, and the prior art references of record evaluated. ... This the examiner failed to do. In re Lunsford, 148 USPQ 721 (CCPA 1966).

The 35 USC 103 rejections fail to make a Graham v. Deere analysis. However, a Graham v. Deere analysis is required to support a 35 USC 103 rejection. See MPEP 2141, 2141.01, 2141.03, 2142, 2143.01, and 2143.03.

Graham v. Deere requires that the Examiner determine the scope and content of the prior art, ascertain the differences between the prior art and the claims in issue, resolve the level of ordinary skill in the pertinent art, and evaluate evidence of secondary considerations. However, the 35 USC 103 rejections do not even address these requirements much less satisfy these requirements.

The legal concept of prima facie obviousness is a procedural tool of examination which applies broadly to all arts. It allocates who has the burden of going forward with production of evidence in each step of the examination process. See MPEP 2142.

21. In re Edwards, 568 F.2d 1349, 1354, 196 USPQ 465, 469 (CCPA 1978); In re Oetiker, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992).

The claims are rejected as a group of claims. This is improper. Each claim must be evaluated individually. In re Van Geuns, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993), In re Wright, 999 F.2d 155, 27 USPQ2d 1510 (Fed. Cir. 1993).

The 35 USC 103 rejections fail to consider important claim limitations. However, a 35 USC 103 rejection must consider all of the words in the claims. In re Wilson, 424 F.2d 1382, 165 USPQ 494, 496 (CCPA 1970). See MPEP 2143.03.

The prior art must teach or suggest all of the claim limitations. In re Royka, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). See MPEP 2143.03. However, the rejections fail to establish what is relied on in the references to teach or suggest many of the claim recitations.

The rejections do not properly acknowledge that different claims in the instant application recite different combinations of features, much less compare these different combinations of features with the references.

Since the art rejections do not establish a prima facie case, the art rejections should be reversed. In re Oetiker, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992).

1.3.2 The Rejections Rely On Improper Hindsight

The 35 USC 103 rejections rely on improper hindsight. This is fatal to the art rejections.

It is difficult but necessary that the decisionmaker forget what he or she has been taught ... about the claimed invention and cast the mind back to the time the invention was made (often as here many years), to occupy the mind of one skilled in the art who is presented only with the references, and who is normally guided by the then-accepted wisdom in the art. W.L. Gore & Associates, Inc. v. Garlock, Inc., 721 F.2d 1540, 220 USPQ 303, 313 (Fed. Cir. 1983), cert. denied, 469 U.S. 851 (1984). See MPEP 2141.01.

The Examiner must ascertain what would have been obvious to one of ordinary skill in the art at the time the invention was made, and not to the inventor, a judge, a layman, those skilled in

remote arts, or to geniuses in the art at hand. See MPEP 2141.03.

The prior art items themselves must suggest the desirability and thus the obviousness of making the combination without the slightest recourse to the teachings of the application. More specifically, the court stated that "Both the suggestion and the expectation of success must be founded in the prior art, not in applicant's disclosure." Hindsight is not a justifiable basis on which to find obviousness. Amgen, Inc. v. Chugai Pharmaceutical Co., Ltd., 927 F.2d 1200, 18 USPQ2d 1016 (Fed. Cir. 1991).

When the patented invention is made by combining known components to achieve a new system, the prior art must provide a suggestion or motivation to make such a combination. Heidelberger Druckmaschinen AG v. Hantscho Commercial Products Inc., 21 F.3d 1068, 30 USPQ2d 1377 (Fed. Cir. 1994).

Obviousness is tested by what the combined teachings of the references would have suggested to those of ordinary skill in the art. It cannot be established by combining the teachings of the prior art to produce the claimed invention, absent some teaching or suggestion supporting the combination. The examiner cannot rely on hindsight.

To imbue one of ordinary skill in the art with knowledge of the invention in suit, when no prior art reference or references of record convey or suggest that knowledge, is to fall victim to the insidious effect of a hindsight syndrome wherein that which only the inventor taught is used against its teacher. ... It is essential that the decisionmaker forget what he or she has been taught at trial about the claimed invention and cast the mind back to the time the invention was made...to occupy the mind of one skilled in the art who is presented only with the references, and who is normally guided by the then-accepted wisdom in the art....One cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior

art to deprecate the claimed invention. In re Fine, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988).

Vice Chief Judge Harkcom in Hyatt-'061²² stated:

The mere fact that the prior art may be modified in the manner suggested by the examiner does not make the modification obvious under '103 unless the prior art suggested the desirability of the modification. In re Fritch, 972 F.2d 1260, 1266 n.14, 23 USPQ2d 1780, 1783-84 n.14 (Fed. Cir. 1992).

Thus, in the instant application, even if the prior art could be modified in the manner suggested by the Examiner, the modification would still not be obvious because the prior art does not suggest the desirability of the modification.

It stated further that it is not realistic "to pick and choose from any one reference only so much of it as will support a given position, to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggests to one of ordinary skill in the art.

1.3.3 Graham V. Deere

The starting point of any analysis of the obviousness or non-obviousness of a claimed invention is the Supreme Court's decision in Graham v. John Deere Co., 383 U.S. 1, 148 USPQ 459 (1966).

In evaluating whether a prima facie case has been established, the Supreme Court in Graham v. John Deere Co., 383 U.S. 1, 148 USPQ 459 (1966) focused on the procedural steps necessary to establish a factual basis for a rejection under section 103. Thus, it is required that the Examiner evaluate 1) the scope and content of the prior art, 2) the differences

22. Ex parte Hyatt, Appeal No. 94-0665, Paper No. 28 at 15 in patent application Serial No. 07/493,061 (PTO Bd. App. June 30, 1998) [herein Hyatt-'061] (unpublished PTO decision).

between the prior art and the claims at issue, and 3) the level of ordinary skill in the art. Applying these steps, the obviousness or nonobviousness of the subject matter is determined. Secondary considerations such as commercial success, long felt but unsolved needs, failure of others, etc. may have relevancy as indicia of obviousness or nonobviousness.

A determination of obviousness requires that the Examiner establish a prima facie case. In so doing, the starting point for making such a determination of obviousness is the fact findings for each of the relevant obviousness factors in Graham v. John Deere. In the case of Gechter v. Davidson, 116 F.3d 1454, 43 USPQ2d 1030 (Fed. Cir. 1997), the Federal Circuit stated that it expects an obviousness analysis to be conducted on a limitation by limitation basis, with specific fact findings for each limitation and claim construction must be explicit. In the absence of such an analysis for each claim limitation and the Graham factual inquiries, there is, by inference from the court, an insufficient factual basis upon which to support a determination of obviousness.

The Board, in Horton v. Stevens infra reflected the position now clarified by the Federal Circuit in Gechter v. Davidson. The Board found that there was an insufficient analysis to make out a case for anticipation or obviousness. It stated

We find that Horton has failed to present an appropriate analysis of the prior art reference vis-a-vis the claimed subject matter which would be sufficient to make out a case for anticipation or obviousness. There is little explanation in the Horton brief to provide adequate factual support for the conclusory statements set forth therein. If Horton considered the subject matter of any Stevens claim to have been anticipated or rendered obvious by Levendusky, he should have analyzed the reference in detail in accordance with the guidelines set forth in Graham v. John Deere Co., ... Specifically, he should have separately addressed each claim limitation in explaining where in the reference relevant subject matter is disclosed, what the differences are, and why the claimed invention as a whole would have been obvious to a person having ordinary skill in the art. Horton did not do this. Horton v. Stevens, 7 USPQ2d 1245 (Bd. Pat. App. & Int. 1988)

The Board went on to list the limitations which were not separately addressed. The Board stated that the proponent of unpatentability has the burden of establishing that the claims are either anticipated or rendered obvious and emphasized the necessity to employ the factual inquiries set forth in Graham v. Deere.

Failure to make a Graham v. Deere analysis is fatal to the 35 USC 103 rejections.

In patent cases, the need for express Graham findings takes on an especially significant role because of an occasional tendency of district courts to depart from the Graham test, and from the statutory standard of unobviousness that it helps determine, to the tempting but forbidden zone of hindsight. Loctite Corp. v. Ultraseal Ltd., 781 F.2d 861, 228 USPQ 90 (Fed. Cir. 1985)

The court went on to say that sometimes, the failure to make findings is characterized as a dereliction of duty, citing Seattle Box Co. v. Industrial Crating & Packing, 756 F.2d 1574, 1578, 225 USPQ 357, 360 (Fed. Cir. 1985). Other times, the failure to make specific Graham findings constitutes error citing Jones v. Hardy, 727 F.2d 1524, 1529, 220 USPQ 1021, 1025 (Fed. Cir. 1984).

The court makes clear that Graham findings are necessary in order to reach a conclusion of obviousness/unobviousness. It can be concluded from the comments of the court that a rejection must fail if there is an insufficient factual basis upon which to reach a conclusion of obviousness. The court stated that Graham was cited but its guidance was not applied, resulting in the application of hindsight and speculation which is prohibited.

1.3.4 Criteria

To establish a prima facie case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. In re Vaeck, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991). See MPEP 2142.

A statement that modifications of the prior art to meet the claimed invention would have been "well within the ordinary skill of the art at the time the claimed invention was made" because the references relied upon teach that all aspects of the claimed invention were individually known in the art is not sufficient to establish a prima facie case of obviousness without some objective reason to combine the teachings of the references. Ex parte Levengood, 28 USPQ2d 1300 (Bd. Pat. App. & Inter. 1993). See MPEP 2143.01.

1.4 35 USC 102 REJECTION

The 35 USC 102 rejection does not establish a prima facie case. For example, the Federal Circuit **requires** that a '102 rejection must be supported on a limitation by limitation basis with specific fact findings for each contested limitation and satisfactory explanations for such findings. Claim construction must also be explicit. Gechter v. Davidson, 43 USPQ2d 1031 at 1035.

Further, under 35 USC 102, every limitation of a claim must identically appear in a single prior art reference for it to anticipate the claim. In re Bond, 910 F.2d 831, 832, 15 USPQ2d 1566, 1567 (Fed. Cir. 1990) as cited in Gechter v. Davidson, 43 USPQ2d 1031 at 1032.

The law requires **identity** between the rejected claims and the references for a 35 USC 102 rejection; as discussed below. However, the rejection does not establish this identity. This is not surprising, there is no such identity. The claims have features that distinguish over the references.

A party asserting that a patent claim is anticipated under 35 USC 102 must demonstrate, among other things, identity of invention. Kalman v. Kimberly-Clark Corp., 713 F.2d 760, 771, 218 USPQ 781, 789 (Fed. Cir. 1983), cert. denied, 465 U.S. 1026 [224 USPQ 520] (1984), overruled in part on another ground, SRI Int'l v. Matsushita Elec. Corp. of Am., 775 F.2d 1107, 1125, 227 USPQ 577, 588-89 (Fed. Cir. 1985) (in banc). Identity of invention is a question of fact, and one who seeks such a finding must show that each element of the claim in issue is found, either expressly or under principles of inherency, in a single prior art reference, or that the claimed invention was previously known or embodied in a single prior art device or practice. Minnesota Mining and Manufacturing v. Johnson & Johnson, 976 F.2d 1559, 24 USPQ2d 1321 (Fed. Cir. 1992)

Rejection for anticipation or lack of novelty requires, as the first step in the inquiry, that all the elements of the claimed invention be described in a single reference. Richardson v. Suzuki Motor Co., 868 F.2d 1226, 1236, 9 USPQ2d 1913, 1920

(Fed. Cir.), cert. denied, 110 S.Ct. 154 (1989). Further, the reference must describe the applicant's claimed invention sufficiently to have placed a person of ordinary skill in the field of the invention in possession of it. In re Spada, 911 F.2d 705, 15 USPQ2d 1655 (Fed. Cir. 1990)

An anticipation analysis must be conducted on a limitation by limitation basis, with specific fact findings for each contested limitation and satisfactory explanations for such findings. Claim construction must also be explicit. Anticipation requires that every limitation in the claim was identically shown in a single reference. Gechter v. Davidson, 116 F.3d 1454, 43 USPQ2d 1031 at 1035 (Fed. Cir. 1997)

The Examiner alleges correspondence between claimed elements and elements shown in the reference. However, allegations of correspondence between claimed elements is no substitute for a proper showing of identity.

The rejection relies on bits and pieces found in the prior art. However, the finding of bits and pieces of the claimed invention does not establish anticipation.

"Only god works from nothing. Man must work with old elements." (65 J.Pat.Off.Soc'y 331; Howard T. Markey; Chief Judge; Court of Appeals for the Federal Circuit).

Just because the elements existed does not mean that they are combined in the claimed manner or that they cooperate in the claimed manner.

Other case law further illustrates the deficiencies in the 35 USC 102 rejection.

Anticipation under 35 U.S.C.A. paragraph 102 can be found only when reference discloses exactly what is claimed. Titanium Metals Corp. of America v. Banner, 778 F.2d 775. (C.A. Fed. DC 1985).

"7. The prior art relied on by plaintiff does not constitute an anticipation of claims 18, 19 and 20 of the Wollard patent under 35 U.S.C. paragraph 102. Anticipation can exist only where a single prior art reference teaches the same elements as claimed, united in the same way to perform an identical function. Illinois Tool Works, Inc. v. Sweetheart Plastics, Inc., 436 F.2d 1180, 168 USPQ 451 (7th

Cir. 1971); McCullough Tool Co. v. Wells Survey, Inc., 343 F.2d 381, 398, 145 USPQ 6, 19-20 (10th Cir. 1965); cert. denied 383 U.S. 933, 148 USPQ 772 (1966)." Penn Yan Boats, Inc. v. Sea Lark Boats, Inc., 175 USPQ 260, 273 (S.D.Fla 1972).

The Federal Circuit has established that the party asserting anticipation (in the present case, the patent examiner) demonstrate the identity between the claimed invention and the reference by showing that each element of the claim was either expressly or inherently described in a single prior art reference or that the claimed invention was known previously or encompassed in a single prior art device or practice. See Kalman v. Kimberly-Clark Corp., 713 F.2d 771, 218 USPQ 789 (Fed.Cir 1983). The Federal Circuit confirmed this standard of anticipation in In re Donohue, 766 F.2d 531, 533, 226 USPQ 619, 621 (Fed.Cir. 1985) and Ralston Purina Co. v. Far-Mar-Co, Inc., 772 F.2d 1570, 1574, 227 USPQ 177, 180 (Fed.Cir. 1985).

1.5 PRIORITY

The Examiner alleges that interference No. 102,598 establish lack of written description for a single chip in the '881 application. However, that decision was based upon a particular interference "count". However, the Examiner has disregarded the specific limitations of the "count".

1.6 REQUEST FOR AN ACTION DIRECTED TO THE IN THE LAST AMENDMENT

The instant action disregards the claims as amended in the amendment dated May 6, 1998. This issue is addressed in the Telephone Conference Record dated January 4, 1992. Hence, an action directed to the claims of record is requested.

II AMENDMENTS

No amendments are proposed herein.

CERTIFICATION OF MAILING BY EXPRESS MAIL: I hereby certify that this correspondence is being deposited with the United States Postal Service with Express Mail post office to addressee service under 37 CFR 1.10, postage prepaid, in an envelope addressed to the Assistant Commissioner for Patents, Washington, D.C. 20231 with the express mail label number EV 069542023 on March 28, 2002.

Dated: March 28, 2002

Respectfully submitted,



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